

BALLOT TITLE AND SUMMARY

MEDI-CAL HOSPITAL FEE PROGRAM. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE.

- Extends indefinitely an existing statute that imposes fees on hospitals to obtain federal matching funds.
- Uses fees to fund Medi-Cal health care services, care for uninsured patients, and children's health coverage.
- Requires voter approval to change use of fees or funds.
- Permits other amendments or repeal by Legislature with a two-thirds vote.
- Declares fee proceeds do not count as revenue toward state spending limit or Proposition 98 funding requirement.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

- The fiscal effect of this measure is uncertain primarily because it is not known whether the Legislature would have extended the hospital fee absent the measure.
- If the Legislature would have extended the hospital fee absent this measure, the measure would likely have relatively little fiscal effect on the state and local governments.
- If the Legislature would *not* have extended the hospital fee absent the measure, the measure could result in state General Fund savings of around \$1 billion annually and increased funding for public hospitals in the low hundreds of millions of dollars annually.